[Translation]

Coal Mines

2818. SHRI DEVI BUX SINGH: Will the Minister of FINANCE be pleased to state:

(a) the productivity level at open and underground coal mines wherein coal mining is profitable;

(b) the total number of such mines under Coal India Ltd. and Singareni Collieries Company Ltd.; and

(c) the production capacity thereof; separately?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH): (a) Depending on the geo-mining conditions, method of mining and equipment depolyed, the factors that contribute to the profitability of a mine are man and machine productivity and the selling price of the coal being mined. As such the profitability does not depend on any single factor like man productivity (output per manshift);

(b) and (c) Total number of profit making mines in Coal India Limited (CIL) and Singareni Collieries Company Limited (SCCL) alongwith their annual production capacity are as under:

(million tonnes)

Company	No.of mines	Annual Production Capacity
CIL	146	156.18
SCCL	9	10.32

[English]

Tax Base of States

2819. SHRI SANAT MEHTA: Will the Minister of FINANCE be pleased to state:

(a) whether the finances of States are passing through severe difficulties at present;

(b) if so, whether the Govt. propose to amend Article 269 of the Constitution with a view to widen the tax base of the States;

(c) if so, the details thereof; and

(d) if not, the reason thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Some States have passed through periodic ways and means problems. At present, the ways and means position of all States is satisfactory.

(b) to (d) As per the recommendation of the Tenth Finance Commission for an alternative scheme, all taxes mentioned in Article 269 of the Constitution except Central Sales Taxes and Consignment Tax are to be put in a divisible pool of Central taxes to be shared between the Union and the States. The advantage of pooling the Central Taxes would be that both the Centre and States would share in the buoyancy of aggregate revenues.

Lift the Ban on Loan

2820. SHRI G.A. CHARAN REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether RBI has decided to lift the ban on bridge loans in the ensuing slack season credit policy;

(b) if so, whether the experts have pointed out that in the light of the fluid political situation and not emergence of a clear signal to the market, RBI should act independently and frame a policy that would lower the interest by a least one per cent;

(c) if so whether earlier RBI had banned bridge loans;

(d) if so, whether Government has now decided to finally lift this ban; and

(e) if so, by what time and if no, the main reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Reserve Bank of India (RBI) has reported that no decision has so far been taken to lift the ban on bridge loans.

(b) As regards framing of policy that would lower interest by at least one per cent, RBI has reported that its policy of reduction in Bank Rate to 11 per cent from April 16, 1997 and further to 10 per cent from June 26, 1997 has correspondingly brought about reduction in the prime lending rates of major banks, which are in the range of 13.5 to 15.0 per cent at present.

(c) to (e) RBI had banned with effect from April 20, 1995 grant of bridge loans by banks and financial institutions to all companies including finance companies. However, the matter was reviewed in October 1995 when it was decided on a limited scale to permit banks to consider sanctioning of bridge loan/interim finance against commitment made by a financial institution and/or another bank in cases where the lending institution faces temporary liquidity constraint and subject to certain conditions.

Promotion of Fisheries

2821. KUMARI UMA BHARATI:

SHRI ANAND RATNA MAURYA:

SHRI SATYA DEO SINGH:

SHRI MAHESH KUMAR. M KANODIA:

Will the Minister of FINANCE be pleased to state:

(a) whether the banks propose to provide financial assistance to farmers for promotion of fisheries;